There are some claims against the Government, but the greater amount of them, if good against the Government, are good against France, being damages for nonexecution of the Laplace treaty by France, as set forth in my No. 7, March 3, to the Hawaiian minister of foreign relations.

While thus out of debt and with money in the treasury, there is also Government property to the value of several hundred thousand dollars, which ought, I think, to be left to the territory when formed, as the tariff of the United States would here produce more revenue than the government of the islands would cost the United States. Leaving the lands also to the island territorial or state Government would still be a vast deal better bargain than we made with Texas in a financial point of view.

March 18.

A good deal of powder was burned yesterday in celebrating the King’s birthday. There were flags of all sorts, and in the evening the palace was crowded by the representatives of all nations, except the "Palani" (French). So many white faces (and especially ladies) were never seen there before. The number is rapidly increasing every year.

After the company departed the King’s band came to my lodgings and played "Hail Columbia." I know not if there was a special design in it. The band is composed of Germans and natives.

The white population of the islands is increasing; the native is diminishing. The commerce with British possessions in New Zealand and New Holland is increasing, as also with China and the East Indies, and emigrants come from both quarters. We want the steam communication with San Francisco as quick as possible. Mr. Kingsbury, of New York, is here trying to make arrangements to put two steamers on the line from here to the coast and also to go from one island to another. With these steamers and a telegraph from San Francisco to Washington we can communicate with you in about a week; so I hope you will not object to a political connection on account of distance. Nor are we so far from the centripetal force of our republic as to be in danger of being thrown off in a tangent. We must not take the islands in virtue of the "manifest destiny" principle, but can we not accept their voluntary offer? Who has a right to forbid the bans?

I ought, perhaps, to have stated before, though it may be known to you, that there is no land tax. Foreigners are not taxed on their property. There is a poll tax or labor tax, but the revenues are mostly derived from customs, tonnage duties, licenses, harbor dues, stamps, etc. But roads are much wanted, and the making of most of them will be expensive, from the mountainous nature of the country.

Thursday, March 20.

From present appearances the plan of getting up an opposition paper here in the British interest will fail. So many Americans belonging to the old opposition have joined in the project they will be sure to control it. They have been put on their guard and will insist on having an American editor. We can not yet let the American opposition into our secret, lest it should get out. These Americans are in favor of annexation, but they have no idea the cabinet they are opposing are equally so, and they, in their hatred of the missionaries, have apparently not considered how powerful the latter may be in any question between American and other foreign influence with the natives. The Protestant missionaries are all Americans—all republicans. The Cath-